

Off-Highway Motor Vehicle Recreation Commission
CONCESSIONS STAFF REPORT

<input type="checkbox"/> Notification of Proposed Concession	<input type="checkbox"/> Request for Approval for the Sale of Alcohol
X Request for Approval of Proposed Concession	<input type="checkbox"/> Notification of Intent to Negotiate

CONCESSION: Off Highway Vehicle Parts and Supplies Store

PARK UNIT: Carnegie SVRA

RECOMMENDATION: Approve the proposed concession as meeting the requirements of Sections 5001.9 and 5080.03 and being compatible with the classification of the unit in which the concession will be operated.

CONCESSION DESCRIPTION: The current concession contract, operating as Skip's at Carnegie, expired September 30, 1996 and is now on a month-to-month status. Current rent is \$800 per month or 5% of gross receipts.

PARK CLASSIFICATION: State Vehicular Recreation Areas shall be established on lands where there are quality recreational opportunities for off-highway motor vehicles and in accordance with the requirements of Section 5090.35. Areas shall be developed, managed, and operated for the purpose of making the fullest public use of the outdoor recreational opportunities present. The natural and cultural elements of the environment may be managed or modified to enhance the recreational experience consistent with the requirements of Section 5090.35.

GENERAL PLAN: The 1981 General Plan for Carnegie SVRA recommends a weekend-operated concession offering parts, food, and beverages.

PROPOSED PROCESS: It is anticipated that the Request for Proposals will be ready for issue by February 2006. The minimum annual rental bid will be \$70,000 per year, or 8% of annual gross receipts, whichever is greater. Additionally, at the sole cost and expense of the concessionaire, the existing facility will be removed and replaced with a new concession facility.

FINANCIAL IMPACT TO STATE: Past sales and rent paid to State based on current contract rental terms are as follows:

Fiscal Year	Gross Sales	Rent Paid
2004/05	\$ 934,269	\$46,713
2003/04	\$ 951,174	\$47,559
2002/03	\$1,067,573	\$53,380
2001/02	\$1,281,151	\$64,060
2000/01	\$1,220,887	\$61,043

RESULT OF NO ACTION BY COMMISSION: The current concessionaire may remain at the current rental rate and the facility will not be replaced.